Unsold stock of fertilizer with the Rashtriya Chemicals and Fertilisers Limited

557. SHRI DINKARRAO GOVINDRAO PATIL : Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that unsold stocks of fertilizers accumulated with the Rashtriya Chemicals and Fertilizers Limited are about one million tonnes worth Rupees 210 crores ;

(b) if so, the reasons for the accumulation ; and

(c) the steps proposed to be taken to clear the stocks ?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZER IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU) : (a) The unsold stock of fertilizers with Rashtriya Chemicals and Fertilizers Ltd. as on 30th October, 1986, is about 9.1 lakh tonnes worth about Rs. 180 crores.

(b) The main reason for the accumulation is that import of fertilizers was planned on the basis of a favourable monsoon, but actually the consumption was lower than anticipated due to drought and erratic weather conditions in some parts of the country.

(c) Imports have been reduced.

Reckless import of fertilizers

558. SHRI DINKARRAO GOVINDRAO PATIL : Will the Minister of AGRICULTURE be pleased to state :

(a) whether Government's attention has been drawn to a news item appeared in the Times of India dated 14th September, 1986 under the caption 'Reckless Import of Fertilizers' if so, the details therof ;

(b) the amount of foreign exchange spent on such imports and the quantity and name of fertilizers imported during the last one year; and

(c) the steps Government have taken to curtail imports and increase indigenous production?

THE MINISTER OF STATE IN THE DEPARTMENT OF FERTILIZER IN THE MINISTRY OF AGRICULTURE (SHRI R. PRABHU) : (a) Yes, Sir. In the news item it was alleged that many fertilizers plants had curtailed their production to avoid accumulation of stocks of fertilizers and that there was indiscriminate import of fertilizers.

The fact, however, remains that imports were planned, keeping in view the sotck already available on hand, expected indigenous production and likely consumption of fertilizers under favourable weather conditions.

(b) During the year 1985-86 a total of 33.99 lakh tonnes of fertilizers nutrients were imported at an approximate cost of Rs. 1405 Crores. The import *inter-alia* consisted of Urea, Di-Ammonium Phosphate and Muriate of Potash.

(c) A major programme has been taken on hand for augmentation of fertilizers production capacity in the public, private and cooperative sectors. With the implementation of this programme, the installed capacity for production of fertilizers would increase from the present level of 5.9 Million Tonnes of Nitrogen and 1.57 Million Tonnes of P_2O5 to about 9.5 Million Tonnes of Nitrogen and 2.9 Million Tonnes of P_2O5 by the end of Seventh Plan (1989-90). But the indigenous availability of fertilizers will continue to fall short of the requirments. Some import of fertilizers may therefore, have to be made even in future. Current year's import plan, however, has been reduced by 23% keeping in view the fertilizer stock already available in the country.